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TAGS: [PGOV](#) [PREL](#) [EAID](#) [KPAO](#) [IZ](#)
SUBJECT: AMBASSADOR'S MAY 24 VISIT TO KARBALA AND NAJAF
INAUGURATES NEW PRTS AND LOOKS TO FUTURE COOPERATION

Classified By: Ambassador Ryan C. Crocker for reasons 1.4 (b) and (d).

11. (C) Summary: Ambassador Crocker's May 24 visit to Karbala and Najaf focused on opportunities for future cooperation in light of the opening of new PRTs in both cities. Importantly, the visit showcased the vast improvement in the provinces' security situation and the lead role Iraqi forces have now taken in this regard -- a reality clearly evident in the impressive display of security assets during the Ambassador's movement through Najaf. The common theme that ran through the Ambassador's meetings with the two provinces' Governors, Provincial Council (PC) Chairs, and other local officials, was that their development -- and relations with the U.S. -- were entering a new phase. The Ambassador underlined that as we move forward, Iraqis will have the lead in identifying their own priorities, developing their own plans and implementing them. That said, the two new PRTs, with their subject matter experts, represent a valuable resource that provincial officials should draw on as they turn plans into deeds. Karbala and Najaf officials identified increasing electrical capacity, attracting U.S. companies, bolstering the tourism sector, addressing rural underdevelopment, and improving public administration as critical for the provinces' future economic progress. They also used the Ambassador's visit to express overall gratitude for U.S. assistance but also some frustration that funding for certain projects had not yet materialized. While Ambassador Crocker made his first visit to Najaf in February, and Ambassador Ries spoke at the opening of the First Najaf Tourism Conference earlier this month, this was the first visit by a U.S. Ambassador to Karbala in years. Also noteworthy: two Sadrist Karbala PC members who had been invited to attend the opening ceremonies but were absent, later told PRT officers that invitations from the PC Chair had not reached them. If they had, they stated, they would have attended. End Summary.

KARBALA

12. (C) Following ceremonies to officially open the new Karbala PRT at Husseinayah Forward Operating Base (FOB) that included remarks by Ambassador Crocker and Acting Team Leader Angus Simmons, as well as the Governor, the Ambassador met with Governor Aqeel at his office in Karbala, Provincial Council (PC) Chair Yasiri, Major General Ra'ad, Karbala CoR Representative Soufak, as well as other PC members and local officials. At the outset, the Ambassador underlined that the new Karbala PRT represented "the beginning of something new" for U.S. engagement in the province, and was only possible due to the improved security situation in the region. On the issue of security, Governor Aqeel characterized the situation as "significantly better since the Shabaniyya events" (over 50 persons were killed when Jaysh al-Mahdi attempted to take over the Shrines at the end of August).

13. (C) Turning to priority issues for the province, Governor Aqeel stressed the lead role that provincial authorities have taken in planning for future development. They were neither dependent on, nor waiting for, direction from Ministries in

Baghdad. To this end, Karbala officials are focusing on promoting the city as a religious and archeological tourist destination, particularly for the world's 300 million Shia. Such aspirations, however, require significant improvements in tourist infrastructure, itself dependent on increased foreign investment. The Najaf airport project, when completed, would offer an expanded gateway for international visitors and U.S. assistance in this project has been greatly appreciated. (Note: In Najaf, the Ambassador was provided a drive-by tour of the airport to see the substantial progress that has occurred at the site. End note.) A significant challenge, however, is Karbala's limited access to electricity. At present, Karbala gets 70 megawatts of electricity. However, it needs 300 megawatts for the type of economic growth envisioned in its development plan. Such an expansion of the power sector requires foreign investment and Aqeel asked the Ambassador for help in attracting more U.S. companies to Karbala. In a sign of some frustration, he said "I can't believe the U.S. can't attract one company to invest in an electrical plant here." Increased access to electricity, he stressed, is a precondition for growth in other sectors.

14. (C) The Ambassador agreed that there are big opportunities for foreign investors but underlined that projects must be both profitable and sustainable to make them attractive. He noted that private companies were building plants in Erbil and Sulaymaniyah and suggested that the new Karbala PRT, with its subject matter experts, could help local officials develop similar project proposals. He also encouraged provincial authorities to reach out to Shia in the U.S. and Europe regarding business opportunities in the region. One

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of the local dignitaries present, Fadilah Party member and PC Construction Committee Chair Sheikh Fallah, noted that although central government funds have been allocated for large projects, foreign companies remain reluctant to do business in Iraq. He suggested the Embassy develop informational materials to educate U.S. companies about provinces like Karbala where, he stated, it is safe to do business.

15. (C) Governor Aqeel then turned to the importance of developing the province's agricultural sector -- critical to improving the situation of its rural population. Of a total 180,000 donums of arable land, only 30,000 are being cultivated. This was due to a combination of factors including the high cost of fertilizers and other inputs, inadequate transportation to bring produce to market, and inefficient use of water resources. As a result, much of the province's produce is imported from Jordan and Iran. To begin to rectify this situation, the Ministry of Agriculture has developed two pilot "model villages" highlighting modern practices including use of plastic greenhouses. The Governor noted that the province was still waiting for what he said was 1 million USD from the U.S. for this effort promised by the Task Force for Business and Stability Operations in Iraq (TFBSO). (Note: TFBSO reports they are working diligently to execute this grant and delays in this process are due to efforts to ensure proper accountability and financial transparency in the transaction. TFBSO has developed an execution approach for this initiative that will maximize employment generation and develop long term capacity. End Note.)

16. (C) During the course of the meeting, the Governor and several provincial officials raised a number of other specific requests/issues with the Ambassador.

-- Deputy PC Chair Hamid al-Turfi asked for resolution of the case of former Karbala PC Chair Aqeel, who had been arrested in 2006 and taken to Camp Bucca. To date, according to al-Turfi, the U.S. has not charged Mr. Aqeel with anything. Either formal charges should be presented to a judicial body or Mr. Aqeel should be released. Al-Turfi provided the

Ambassador with documents related to the case.

-- Chief Appellate Judge Abu Nuor appealed to the Ambassador for U.S. assistance in rehabilitating and modernizing Karbala's courthouses. He noted local officials had provided the PRT with information on this. Without responding directly to this specific request, the Ambassador underlined the PRT's subject matter expertise on Rule of Law, a critical requirement for private sector-led economic growth.

-- Major General Ra'ad Shaker (who commands both Iraqi army and police forces in Karbala) said that while there has been significant progress in security, there is still a need for more modern equipment (specifically to facilitate more efficient searching of vehicles entering Karbala) and training for police personnel (40 percent, he asserted, were not adequately trained).

¶17. (C) Note: The Karbala PRT extended an invitation through the PC Chair to all PC members to attend the PRT inauguration and meeting with the Ambassador. Two Sadrist PC members were notably not in attendance at any of the events. However, the following day PRT officials met at FOB Husseinayah with the two Sadrists in question. They said they had not received the invitation from the PC Chair and assured PRT officers that had they received the invitation they would have attended.

NAJAF

¶18. (C) The Ambassador's arrival in Najaf and drive from FOB Endeavor to the Governance Center put in bold relief the lead role Iraqi army and police forces have taken in the province.

Iraqi security personnel were present in force along the entire line of the lengthy motorcade route. The Ambassador underlined this positive development in his subsequent meeting, characterizing the security provided as superb and noting "We are moving from a time when Coalition Forces provided security for Iraqis to one where Iraqi Forces are providing security for foreign visitors -- as it should be."

¶19. (C) At the working lunch and follow-on meeting at Najaf's Governance Center, Najaf Governor Asaad and other provincial officials keyed in on many of the same issues raised by their Karbala counterparts earlier in the day. The Governor underlined the importance of increasing economic opportunities for the rural population, both to provide employment and to stem the migration from the villages to the

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cities. The PC Chair said the province faced a water shortage this year -- caused, he asserted, by inadequate Turkish release of water into the Euphrates -- and this had reduced plantings and lowered rice output. The Ambassador agreed that distribution of water resources is an important issue and noted the joint Turkey-Iraq Committee that has responsibility for resolving disputes over water issues.

¶110. (C) Najaf officials, like their Karbala counterparts, underlined the importance of religious tourism as a pillar for future economic growth. The PC Chair noted that the city sees about 8000 visitors daily, a number which swells to a million on special religious occasions. "We are honored to have them," he stated, but also stressed the need for allocated funds and improved infrastructure to see this aspect of the economy grow in a sustainable manner.

¶111. (C) The PC Chair also raised two "strategic projects" which he said would be key to long term growth of the region: (1) a "Pilgrimage Grand Road" between Saudi Arabia and Najaf to stimulate trade and interaction between populations on both sides of the border and (2) construction of a canal from Anbar province to Najaf that would provide water needed to revitalize the western desert. He stated that project

proposals for both had been completed and the next step is to attract companies. In this context, the Governor noted that a while many Saudi companies have expressed some interest in working in Iraq, establishment of a free economic area, similar to that in Safwan between Iraq and Kuwait, would greatly help. That said, the PC Chair noted that attracting investment from Iraq's neighbors remains problematic as many Arab countries "feel resentment toward Iraq." Ambassador Crocker responded that in the many Arab countries he has visited he has raised at the highest levels the positive things that are happening in Iraq and the need for Iraq's neighbors to participate in, and bolster, these efforts.

¶12. (SBU) Comment: The Ambassador's visit to Karbala and Najaf to open the two FOB-based PRTs stands in marked contrast to the period until August last year when no one from PRT Najaf or PRT Karbala had traveled to those provinces at all for thirteen months. The ceremonies at FOB Husseinayah and FOB Endeavor as well as both Governorate Compound visits were both cordial and well attended by senior provincial officials. The visits drew extensive media coverage showing that the U.S. Ambassador was welcome and both Governors spoke at the ceremonies inaugurating the PRTs' operations. The Ambassador held press conferences in Arabic in both cities and several members of the international press traveled with his delegation. While Ambassador Crocker made his first visit to Najaf in February, and Ambassador Ries spoke at the opening of the First Najaf Tourism Conference earlier this month, this was the first visit by a U.S. Ambassador to Karbala in years.

¶13. (C) Ambassador Crocker's visit to inaugurate the operations of the two PRTs provided an excellent public diplomacy canopy for the beginning of PRT operations in these key south-central provinces. The PRTs both have modest guest accommodations (trailers) and are now capable (with Embassy/post approval) of hosting visitors who have a mission need to travel to these provinces.

CROCKER